

Introduced by Senator Ackerman

February 20, 2003

An act to add Sections 16724.1 and 16724.2 to the Government Code, relating to bonds.

LEGISLATIVE COUNSEL'S DIGEST

SB 562, as introduced, Ackerman. Bonds.

The existing State General Obligation Bond Law contains procedures for use in authorizing the issuance and sale and providing for the repayment of state general obligation bonds.

This bill would require each bond act to contain a statement that any state agencies that administer the provisions of the bond act shall expend, in the aggregate, for administrative purposes, not more than a specified percentage, which shall not exceed 5%, of the proceeds of the bond act.

The bill would require the annual Governor's Budget and the annual Budget Act adopted by the Legislature to include a display of the proposed expenditures of each state agency pursuant to each bond act in the applicable fiscal year.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares that recent
- 2 bond acts provide the opportunity for the state to make major new
- 3 investments in its resources. It is important that these investments
- 4 be targeted to address the state's highest priorities, and that
- 5 available funds be administered as efficiently and effectively as

1 possible. Toward these goals, it is the intent of the Legislature to
2 provide further direction by the enactment of this act.

3 SEC. 2. Section 16724.1 is added to the Government Code, to
4 read:

5 16724.1. Each bond act shall contain a statement that any state
6 agencies that administer the provisions of the bond act shall
7 expend, in the aggregate, for administrative purposes, not more
8 than a specified percentage, which shall not exceed 5 percent, of
9 the proceeds of the bond act.

10 SEC. 3. Section 16724.2 is added to the Government Code, to
11 read:

12 16724.2. The annual Governor's Budget and the annual
13 Budget Act adopted by the Legislature shall include a display of
14 the proposed expenditures of each state agency pursuant to each
15 bond act in the applicable fiscal year.

